



Doc Code:

PTO/SB/21 (09-04)  
Approved for use through 07/31/2006. OMB 0651-0031  
U.S. Patent and Trademark Office: U.S. DEPARTMENT OF COMMERCE

Under the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number.

22W  
AR

<b>TRANSMITTAL FORM</b>  (to be used for all correspondence after initial filing)	Application Number	10/782,023	
	Filing Date	02/18/2004	
	First Named Inventor	Thomas A. Findley	
	Art Unit	3625	
	Examiner Name	Rosen, N.D.	
Total Number of Pages in This Submission	10	Attorney Docket Number	NE1.008

ENCLOSURES (Check all that apply)		
<input type="checkbox"/> Fee Transmittal Form	<input type="checkbox"/> Drawing(s)	<input type="checkbox"/> After Allowance Communication to TC
<input type="checkbox"/> Fee Attached	<input type="checkbox"/> Licensing-related Papers	<input type="checkbox"/> Appeal Communication to Board of Appeals and Interferences
<input type="checkbox"/> Amendment / Reply	<input type="checkbox"/> Petition	<input checked="" type="checkbox"/> Appeal Communication to TC (Appeal Notice, Brief, Reply Brief)
<input type="checkbox"/> After Final	<input type="checkbox"/> Petition to Convert to a Provisional Application	<input type="checkbox"/> Proprietary Information
<input type="checkbox"/> Affidavits/declaration(s)	<input type="checkbox"/> Power of Attorney, Revocation Change of Correspondence Address	<input type="checkbox"/> Status Letter
<input type="checkbox"/> Extension of Time Request	<input type="checkbox"/> Terminal Disclaimer	<input type="checkbox"/> Other Enclosure(s) (please identify below):
<input type="checkbox"/> Express Abandonment Request	<input type="checkbox"/> Request for Refund	
<input type="checkbox"/> Information Disclosure Statement	<input type="checkbox"/> CD, Number of CD(s) _____	
<input type="checkbox"/> Certified Copy of Priority Document(s)	<input type="checkbox"/> Landscape Table on CD	
<input type="checkbox"/> Response to Missing Parts/Incomplete Application	Remarks	
<input type="checkbox"/> Reply to Missing Parts under 37 CFR 1.52 or 1.53	This is a Substitute Appeal Brief. Fees were paid on 04-16-04 with original brief. If any additional fees are required, the Director is hereby authorized to charge them to Deposit Account No. 50-1152.	

SIGNATURE OF APPLICANT, ATTORNEY, OR AGENT			
Firm Name	Timothy E. Siegel, Patent Attorney		
Signature			
Printed name	Timothy E. Siegel		
Date	October 6, 2005	Reg. No.	37,442

CERTIFICATE OF TRANSMISSION/MAILING			
I hereby certify that this correspondence is being facsimile transmitted to the USPTO or deposited with the United States Postal Service with sufficient postage as first class mail in an envelope addressed to: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on the date shown below:			
Signature			
Typed or printed name	Claudia Degner	Date	October 6, 2005

This collection of information is required by 37 CFR 1.5. The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.11 and 1.14. This collection is estimated to 2 hours to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, VA 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

If you need assistance in completing the form, call 1-800-PTO-9199 and select option 2.



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE  
BOARD OF PATENT APPEALS AND INTERFERENCES

5

<b>Applicant:</b>	Thomas A. Findley	<b>Art Unit:</b>	3625
<b>Serial No.:</b>	10/782,023	<b>Examiner:</b>	Rosen, Nicholas
<b>Filing Date:</b>	02/18/2004	<b>Docket:</b>	NE1.008
<b>Title:</b>	DEVICE FOR SELECTIVELY BLOCKING REMOTE PURCHASE REQUESTS		

**SUBSTITUTE APPEAL BRIEF**

10

**Date:** 10/06/2005

Board of Patent Appeals and Interferences  
Washington, D.C. 20231

15

Thomas Findley, )  
Appellant ) SUBSTITUTE APPEAL BRIEF  
20 vs. ) UNDER 37 CFR 41.37  
United States Patent Office, )  
Appellee. )

Introduction:

This Appeal Brief is October 6, 2005 and is a replacement for a brief originally submitted on April 16, 2004, which was accompanied by the appropriate fee. All claims under Appeal have  
5 been finally rejected.

Real Party in Interest:

The Real Party in Interest is Network Sciences, Inc., an Oregon Corporation, of which Thomas Findley, a resident of  
10 Portland, Oregon, is president.

Related Appeals and Interferences:

There are no related Appeals or Interferences known to Appellant.  
15

Status of the Claims:

The claims all received a final rejection on October 21, 2004 and had all been twice rejected in the parent case, first on October 9, 2002 and then again on November 25, 2002.  
20

Status of the Amendments:

No amendment has been filed.

Summary of the Claimed Subject Matter:

25 Claim 1, the only independent claim involved in the appeal, recites a method for partially verifying the legitimacy of a remote purchase request based on a card number from a card issuing financial institution. The method includes receiving and storing a first purchase request information set including an  
30 electronic origin (e.g. originating telephone number or internet address of the purchase request) and a card number (block 112 and 114 of FIG. 2A and page 5, line 7 to page 6, line 8).

Further, the origin and the card number are sent to the card issuing financial institution to determine if the origin matches an origin on file for the card number at the card issuing financial institution (block 126 of FIG. 2B and page 10, lines 5 to 24).

Grounds of Rejection:

1. Claims 1-3 stand rejected for putatively being rendered obvious under 35 USC §103 by U.S. Patent 6,095,413 (Tetro) in view of U.S. Patent 5,862,220 (Perlman)?

Argument:

Claims 1 through 3 stand rejected under 35 USC 103 over Tetro in view of Perlman. The combination of Tetro and Perlman, however, does not yield the method of claim 1. Indeed, there is no suggestion, in either Tetro or Perlman, though both of these patents address remote sales fraud prevention, of determining whether an electronic origin is associated with a credit card number. Tetro does not address the electronic origin.

Perlman only associates the electronic origin with the expected ANI of a "customer box." (Perlman, page 13, line 37-39). Perlman's "customer box" is a physical box that is electrically associated with a television set, a television cable and a telephone line. This association is, however, completely different from and in no way suggests the action of a purchase request receiving party sending an origin to a financial institution, together with a credit card number.

First, the ANI private server already has an expected origin on file for the "client box" so there is no need to send the origin on to a third party, such as a financial institution, for verification of the association. A remote merchant, on the

other hand, has no indication of whether the electronic origin is associated with a credit card number and so must query the financial institution.

Second, neither Tetro nor Perlman suggest the method  
5 of Claim 1, because the rational for checking the ANI (caller ID) is not suggested in either of these patents. Tetro, in checking the customer-entered address and social security number against the credit card information on file at the financial institution is giving a knowledge test to the card user. If the  
10 card user does not know the billing address of the card or the social security number of the legitimate card user, he almost certainly is using the card fraudulently. Perlman, on the other hand, is just verifying that the person contacting the server over the telephone line is associated with a "client box" in  
15 order to access the secure network. For Perlman and Tetro, failing the test results in a user lockout and purchase request rejection, respectively.

But, in the case of the present invention the reason for associating the ANI with the credit card number serves a far  
20 more subtle purpose: to provide a reassurance in an otherwise doubtful case that the card is being used by the card owner. Because a card user is entitled to make purchases using his card from a telephone number that is not listed at the financial institution, the fact that another telephone number is being  
25 used is far from an indication of fraud. But in a close case it could tip the purchase request into the accepted category, if it is a number on file, or an unaccepted category, if it is an unassociated number. This fine judgment is completely different from the decision point of either Perlman or Tetro, where the  
30 associated telephone number or knowledge of the billing address is an absolute requirement for accessing the secure network, or completing a purchase, respectively.

It is worth noting that when Perlman discloses using the client box to make a purchase, the purchase is made by use of a credit card (col 13, lines 29-38). This would not be necessary if the box of Perlman replaced the function of a credit card. Accordingly, the only fraud Perlman's method would prevent is that caused by a change in location of the "box" from one telephone line to another, by theft of the box or, perhaps, because it had been lent to a friend or moved to the user's new dwelling.

10       **Even when Perlman and Tetro are combined,** a thief could use the Perlman box connected to Perlman's system, and a stolen credit card to buy an item from a merchant who was protected by the Tetro method **without the merchant being notified that the electronic origin of the purchase request did**  
15 **not match any electronic origin associated with the credit card used.** Moreover, and perhaps of greater import, if a prospective customer were to attempt to buy an expensive item from a merchant from whom he had never purchased before, the merchant might decline the purchase and lose a lucrative sale **because he**  
20 **had no assurance that the electronic origin was associated with the credit card used, even though the prospective purchaser was using his own credit card and his own Perlman box (WebTV), from his own home.** Even if the merchant was notified that the box was connected to its designated telephone line **there would be no**  
25 **reassurance that a thief had not gained access to that box, either because he had signed up for WebTV, was a guest at the box owner's house or a roommate of the box owner. An**  
**enterprising thief could sign up for WebTV with false name information, make many purchases with stolen card numbers for**  
30 **which he might be able to determine the billing addresses, and then move and disassociate himself from the telephone number used before his theft became apparent.** With the method of the

present invention, the thief would have to gain access to a telephone line or Internet address matching a card number, greatly complicating his task.

Moreover, although the Perlman method requires a box that is connected to a telephone line and some other remote access network, the method of the present invention is applicable to any credit or debit card remote purchase made via the Internet or telephone line, without any great complication.

Accordingly, the present invention, made possible by subtle insight into the purchase request approval decision, is in no way made obvious by the teachings of Tetro, regardless of how those teachings are elucidated or augmented by the very different and inapplicable teachings of Perlman.

Respectfully submitted,

A handwritten signature in cursive script, reading "Timothy E. Siegel", written in black ink over a horizontal line.

Timothy E. Siegel  
Attorney for Appellant  
Reg. No.: 37,442  
1868 Knapps Alley, Ste. 206  
Tel. No.: (503) 650-7411  
Fax No.: (503) 650-9886

APPENDICES

## CLAIMS UNDER APPEAL

5           1. A method for partially verifying the legitimacy of  
a remote purchase request based on a card number from a card  
issuing financial institution, comprising:

10           (a) receiving and storing a first purchase request  
information set including an electronic origin  
and a card number; and

15           (b) sending said electronic origin and said card  
number to said card issuing financial institution  
to determine if said origin matches an origin on  
file for said card number at said card issuing  
financial institution.

20           2. The method of claim 1, further comprising  
receiving an indication of whether or not said origin did match  
said origin on file for said card number at said card issuing  
financial institution.

25           3. The method of claim 1, further comprising said  
financial institution comparing said origin to a file of origins  
associated to said card number.



## EVIDENCE APPENDIX

No evidence was entered in this case.

## 5 RELATED PROCEEDINGS APPENDIX

There are no related proceedings to this case.

10

15

20

25

30

35



5

CERTIFICATE OF MAILING

I hereby certify that this correspondence is being  
10 deposited with the United States Postal Service as first  
class mail in an envelope addressed to:

Board of Patent Appeals and Interferences  
Washington, D.C. 20231

15 on October 6, 2005

Signed:

*Claudia Degner*

Date: October 6, 2005

Claudia Degner

20

25